

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

Annual Financial Statements

As of and for the Year Ended
December 31, 2017

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

Annual Financial Statements

As of and for the Year Ended December 31, 2017

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EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana
Annual Financial Statements
As of and for the Year Ended December 31, 2017

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M. CARLEEN DUMAS
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Independent Accountant’s Review Report

BOARD OF COMMISSIONERS
EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

I have reviewed the accompanying financial statements of the governmental activities and major fund of the East Columbia Fire District (the “District”), a component unit of Caldwell Parish, as of and for the year ended December 31, 2017, and the related notes to the financial statements. A review includes primarily applying analytical procedures to management’s financial data and making inquires of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, I do not express such an opinion.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountant’s Responsibility

My responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. Those standards require me to perform procedures to obtain limited assurance as a basis for reporting whether I am aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. I believe that the results of my procedures provide a reasonable basis for my conclusion.

Accountant’s Conclusion

Based on my review, I am not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Member of the American Institute of Certified Public Accountants
Member of the Society of Louisiana of Certified Public Accountants

BOARD OF COMMISSIONERS
EAST COLUMBIA FIRE DISTRICT
Independent Accountant's Review Report
Columbia, Louisiana

Supplementary Information

The accompanying schedule of compensation, benefits, and other payments to agency head and board of commissioners and the schedule of prior year findings are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The information is the representation of management. I have reviewed the information and, based on my review, I am not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. I have not audited the supplementary information and, accordingly, do not express an opinion on such information.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and the schedule of revenues, expenditures, and changes in fund balance - budget and actual - General Fund be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have not audited or reviewed such required supplementary information, and, accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on it.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, I have issued a report dated March 14, 2018, on the results of my agreed-upon procedures.

/s Carleen Dumas
Calhoun, Louisiana
March 14, 2018

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2017

Our discussion and analysis of East Columbia Fire District's (hereafter referred to as the District) financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2017. Please read it in conjunction with the District's financial statements that begin on page 10.

BASIC FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities on pages 10 and 11 provide information about the activities of the District and present a long-term view of the District's financial position. The fund financial statements presented on pages 12 and 13 provide information on how the operations of the District are financed in the short term as well as what remains for future spending. Fund financial statements report the District's operations in more detail than the government-wide statements.

The Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities provide information in a way that shows the change in the District's financial condition resulting from the current year's activities. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most businesses. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's *net position* and the changes in net position. Net position - the difference between assets (what the District owns) and liabilities (what the District owes) is a way to measure the financial position of the District. Over time, increases or decreases in the District's net position is an indicator of whether the District's financial position is improving or deteriorating.

In the Statement of Net Position and the Statement of Activities, the District reports only governmental activities due to the fact that the District is engaged in one governmental program - fire protection. Sales taxes and intergovernmental revenues finance most of this activity.

Fund Financial Statements

The fund financial statements begin on page 12 and provide more detailed information about the District's funds. The District has only one fund, the General Fund, which is reported as a governmental fund.

EAST COLUMBIA FIRE DISTRICT
 Columbia, Louisiana
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 For the Year Ended December 31, 2017

All of the services provided by the District are accounted for in the General Fund. Governmental funds focus on how money flows into and out of the funds and the balances left at year-end that are available for spending. Governmental funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the District's operations. Governmental fund information helps to determine whether there are more or fewer financial resources that are available to be spent in the near future.

The differences between governmental activities reported in the Statement of Net Position and the Statement of Activities and the governmental funds reported in the fund financial statements are reported in a reconciliation at the bottom of the fund financial statements.

**COMPARATIVE ANALYSIS OF
 FINANCIAL DATA**

Government-Wide

The District's net position increased by \$169,128 during 2017 due to a federal grant that was used to purchase equipment. The following presents an analysis of net position and changes in net position of the District's governmental activities:

	GOVERNMENTAL ACTIVITIES	
	<u>2017</u>	<u>2016</u>
Assets		
Current assets	\$88,628	\$88,624
Capital assets	176,452	8,148
Total assets	<u>265,080</u>	<u>96,772</u>
Liabilities		
Current liabilities	654	1,470
Long-term liabilities	NONE	NONE
Total liabilities	<u>654</u>	<u>1,470</u>
Net Position		
Net investment in capital assets	176,452	8,148
Unrestricted	87,974	87,154
Total net position	<u>\$264,426</u>	<u>\$95,302</u>

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2017

	<u>2017</u>	<u>2016</u>
Expenses-public safety	\$36,542	\$20,261
Program revenues:		
Charges for services	8,661	8,830
Operating grants	493	
Capital grants	<u>187,077</u>	
Total program revenues	<u>196,231</u>	<u>8,830</u>
Net program revenue	<u>159,689</u>	<u>(11,431)</u>
General revenues:		
Sales tax	4,537	4,487
State fire insurance rebate	4,401	3,976
Interest earnings	<u>501</u>	<u>530</u>
Total general revenues	<u>9,439</u>	<u>8,993</u>
Total revenues	<u>205,670</u>	<u>17,823</u>
Change in net position	169,128	(2,438)
Net position - beginning	<u>95,298</u>	<u>97,740</u>
Net position - ending	<u>\$264,426</u>	<u>\$95,302</u>

Governmental Funds

Total revenues were \$187,847 more than revenues in 2016 due to federal and local grant revenues that were used for capital outlay expenditures in the amount of \$187,077.

OVERALL FINANCIAL POSITION

The District's net position increased \$169,128 as a result of this year's operations. Unrestricted net position (those assets available to finance the daily operations of the district) were \$87,974 at year end. The net investment in capital assets was \$176,452 at year end.

DISTRICT'S FUNDS

At the end of the year, the District's General Fund reported an unassigned fund balance of \$87,974.

GENERAL FUND BUDGETARY HIGHLIGHTS

The budget is prepared on the modified accrual basis of accounting. At year end, actual revenues were \$187,939 more than budgeted revenues and actual expenditures were \$190,380 more than budgeted expenditures. The differences were due to federal and local grant funds that were received and expended during the year that were not included in the budget. The District did not amend its budget during the year.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2016

CAPITAL ASSETS

At the end of the year, the District had capital assets (net of accumulated depreciation) totaling \$176,452. Capital assets include buildings, vehicles, and equipment costing \$1,000 or more. Total fixed asset additions were \$189,407 during the year and included the purchase of radios and a hose tester. Additional information about the District's capital assets is presented in Note 4 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The District anticipates that revenues and expenditures in 2018 will be approximately the same as they were in 2017 except federal and local grant funds and capital outlay expenditures are expected to decrease significantly.

BASIC FINANCIAL STATEMENTS

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

STATEMENT OF NET POSITION
December 31, 2017

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash	\$16,193
Investments	71,342
Receivables:	
Sales tax	341
Charges for services	752
Capital assets, net	<u>176,452</u>
TOTAL ASSETS	<u>265,080</u>
LIABILITIES	
Accounts and payroll taxes payable	<u>654</u>
NET POSITION	
Net investment in capital assets	176,452
Unrestricted	<u>87,974</u>
TOTAL NET POSITION	<u><u>\$264,426</u></u>

See accompanying notes and independent accountant's review report.

Statement B

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2017

	<u>GOVERNMENTAL ACTIVITIES</u>
Expenses:	
Public safety - fire protection	\$36,542
Program revenues:	
Charges for services	8,661
Operating grants	493
Capital grants	<u>187,077</u>
Total program revenue	<u>196,231</u>
Net program revenue	<u>159,689</u>
General revenues:	
Sales tax	4,537
State fire insurance rebate	4,401
Interest earnings	<u>501</u>
Total general revenues	<u>9,439</u>
Change in net position	169,128
Net position - beginning	<u>95,298</u>
Net position - ending	<u><u>\$264,426</u></u>

See accompanying notes and independent accountant's review report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

BALANCE SHEET - GOVERNMENTAL FUND
December 31, 2017

	<u>GENERAL FUND</u>
ASSETS	
Cash	\$16,193
Investments	71,342
Receivables:	
Sales tax	341
Charges for services	<u>752</u>
TOTAL ASSETS	<u><u>\$88,628</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities - accounts and payroll taxes payable	654
Fund balance - unassigned	<u>87,974</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$88,628</u></u>
Reconciliation of the Balance Sheet of Governmental Fund To the Statement of Net Position:	
Fund balance - unassigned - General Fund	\$87,974
Amount reported for net position of governmental activities in the Statement of Net Position (Statement A) is different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund	<u>176,452</u>
Net position of governmental activities (Statement A)	<u><u>\$264,426</u></u>

See accompanying notes and independent accountant's review report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND
For the Year Ended December 31, 2017

	<u>GENERAL FUND</u>
REVENUES	
Sales tax	\$4,537
Intergovernmental revenues:	
Federal grant	177,905
State - fire insurance rebate	4,401
Local grant	9,664
Charges for services	8,661
Interest earnings	<u>501</u>
Total revenues	<u>205,669</u>
EXPENDITURES	
Public safety - fire protection:	
Current:	
Personal services and related benefits	3,229
Operating services	7,188
Materials and supplies	5,025
Capital outlay	<u>189,407</u>
Total expenditures	<u>204,849</u>
NET CHANGE IN FUND BALANCE	820
FUND BALANCE AT BEGINNING OF YEAR	<u>87,154</u>
FUND BALANCE AT END OF YEAR	<u><u>\$87,974</u></u>

(Continued)

See accompanying notes and independent accountant's review report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUND (Contd.)
For the Year Ended December 31, 2017

GENERAL
FUND

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balance of Governmental Fund to
the Statement of Activities:**

Net change in fund balance - General Fund	\$820
Amount reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay expenditures exceeded depreciation expense in the current period.	<u>168,308</u>
Change in net position of governmental activities (Statement B)	<u><u>\$169,128</u></u>

(Concluded)

See accompanying notes and independent accountant's review report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

Notes to the Financial Statements
As of and for the Year Ended December 31, 2017

INTRODUCTION

The East Columbia Fire District was created by the Caldwell Parish Police Jury, as authorized by Louisiana Revised Statute 40:1492. The district is governed by a five member board appointed by the police jury. Board members are paid \$10 for each board meeting they attend. The district is responsible for providing fire protection within the boundaries of the district. The district has one part-time employee.

GASB Statement No. 14, *The Reporting Entity* and No. 39, *Determining Whether Certain Organizations Are Component Units - an amendment of GASB Statement No. 14*, established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of these Statements, the East Columbia Fire District is considered a component unit of the Caldwell Parish Police Jury. As a component unit, the accompanying financial statements may be included within the reporting of the primary government, either blended into those financial statements or separately reported as a discrete component unit.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the East Columbia Fire District.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. All individual governmental funds and individual enterprise funds are reported as separate columns in the fund financial statements. The East Columbia Fire District has only one governmental fund.

See accountant's independent accountant's review report.

**B. Measurement Focus, Basis of Accounting, and
Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are considered to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Sales taxes, charges for services, and intergovernmental revenue associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the district.

The East Columbia Fire District reports the following governmental fund:

General Fund

The General fund is the general operating fund of the district and accounts for all financial resources.

C. Deposits and Investments

Cash includes amounts in a noninterest-bearing demand deposit. State law limits the district's credit risk by restricting the district's investments to collateralized certificates of deposits, government-backed securities, commercial paper, the state sponsored investment pool, and mutual funds consisting solely of government-backed securities. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. At December 31, 2017, the district's investments consist of nonnegotiable certificates of deposits with original maturities that exceed 90 days that are reported in the accompanying financial statements at cost. The district's interest rate risk is limited by the investment of funds for no longer than one year.

See accountant's independent accountant's review report.

EAST COLUMBIA FIRE DISTRICT
Notes to the Financial Statements

D. Receivables

The district receives a pro-rata share of a one-fourth of one percent parishwide (excluding the Town of Columbia) sales tax approved by the voters in Caldwell Parish on October 19, 1985 for fire protection in the parish. The sales tax is collected by the police jury and remitted to the district net of its pro-rata share of the cost of collection.

On November 5, 1996, the voters of the district approved a \$2 per meter service charge for fire protection on all water meters in the district. The service charge is collected by the East Columbia Water District and remitted to the district.

Receivables are generally shown net of an allowance for uncollectible accounts. These statements contain no provision for uncollectible accounts. The district is of the opinion that such an allowance would be immaterial in relation to the financial statements taken as a whole.

E. Capital Assets

Capital assets, which consist of buildings, vehicles, and equipment are reported in the governmental activities column in the government-wide financial statements. All of the district's capital assets are capitalized at historical cost. The East Columbia Fire District maintains a threshold level of \$1,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized.

All capital assets are depreciated using the straight-line method over the following useful lives:

	Estimated Lives
Vehicles	15 years
Buildings and Equipment	10 - 25 years

F. Net Position/Fund Balance

For the government-wide statement of net position, net position is reported as restricted when constraints are placed on net asset use are either:

1. externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments; or
2. imposed by law through constitutional provisions or enabling legislation.

See accountant's independent accountant's review report.

EAST COLUMBIA FIRE DISTRICT
Notes to the Financial Statements

Fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which funds can be spent. Fund balance should be reported as restricted when constraints on the use of the funds meet the same criteria as restricted net position in the government-wide statement of net position as noted in the previous paragraph. Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the board of commissioners are reported as committed fund balance. Assigned fund balance are amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. The board of commissioners is authorized to assign amounts to a specific purpose. Unassigned fund balance is the residual classification and represents fund balance that has not been restricted, committed, or assigned to a specific purpose.

At December 31, 2017, the District's had only unassigned fund balance in the General Fund.

G. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities, disclosures, and revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

**2. STEWARDSHIP, COMPLIANCE, AND
ACCOUNTABILITY**

Budget Information

The East Columbia Fire District uses the following budget practices:

A proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is formally adopted by the board of commissioners at the December board meeting each year. The budget is established and controlled by the board at the object level of expenditure.

Appropriations lapse at year-end and must be reappropriated for the following year to be expended. Encumbrance accounting is not used by the district. All changes in the budget must be approved by the board of commissioners.

See accountant's independent accountant's review report.

EAST COLUMBIA FIRE DISTRICT
Notes to the Financial Statements

Budgeted amounts included in the accompanying financial statements are the original adopted budget amounts. There were no budget amendments.

The following individual fund's actual expenditures exceeded budgeted expenditures for the year ended December 31, 2017:

	Original Budget	Final Budget	Actual	Unfavorable Variance
General Fund	<u>\$14,469</u>	<u>\$14,469</u>	<u>\$204,849</u>	<u>\$190,380</u>

3. DEPOSITS IN FINANCIAL INSTITUTIONS

At December 31, 2017, the district has cash and investments as follows:

Demand deposit	\$16,193
Certificates of deposit	<u>71,342</u>
Total	<u>\$87,535</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. Cash and investments (bank balances) at December 31, 2017, are fully secured from risk by federal deposit insurance.

4. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2017, is as follows:

	Balance at January 1, 2017	Increases	Decreases	Balance at December 31, 2017
Governmental activities:				
Capital assets being depreciated:				
Vehicles	\$80,000			\$80,000
Buildings and equipment	<u>10,529</u>	<u>\$189,407</u>		<u>199,936</u>
Total capital assets being depreciated	<u>90,529</u>	<u>189,407</u>	NONE	<u>279,936</u>
Less accumulated depreciation for:				

See accountant's independent accountant's review report.

EAST COLUMBIA FIRE DISTRICT
Notes to the Financial Statements

	Balance at January 1, <u>2017</u>	<u>Increases</u>	<u>Decreases</u>	Balance at December 31, <u>2017</u>
Vehicles	\$78,222	\$1,778		\$80,000
Buildings and equipment	4,164	19,320		23,484
Total accumulated depreciation	<u>82,386</u>	<u>21,098</u>	<u>NONE</u>	<u>103,484</u>
Total assets being depreciated, net	<u>\$8,143</u>	<u>\$168,309</u>	<u>NONE</u>	<u>\$176,452</u>

Depreciation expense of \$21,098 for the year ended December 31, 2017 was charged to the public safety - fire protection governmental function.

5. SUBSEQUENT EVENTS

The District has evaluated subsequent events through March 14, 2018, the date which the financial statements were available to be issued.

See accountant's independent accountant's review report.

REQUIRED SUPPLEMENTAL INFORMATION

See accountant's independent accountant's review report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND

For the Year Ended December 31, 2017

	BudgetedAmounts.....		Actual Amounts (Budgetary Basis - GAAP)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Sales tax	\$4,500	\$4,500	\$4,537	\$37
Intergovernmental revenues:				
Federal grant			177,905	177,905
State - fire insurance rebate	4,000	4,000	4,401	401
Local grant			9,664	9,664
Charges for services	8,700	8,700	8,661	(39)
Interest earnings	530	530	501	(29)
Total revenues	<u>17,730</u>	<u>17,730</u>	<u>205,669</u>	<u>187,939</u>
EXPENDITURES				
Public safety - fire protection:				
Personal services and related benefits	3,200	3,200	3,229	(29)
Operating services	4,769	4,769	7,188	(2,419)
Materials and supplies	6,500	6,500	5,025	1,475
Capital outlay			189,407	(189,407)
Total expenditures	<u>14,469</u>	<u>14,469</u>	<u>204,849</u>	<u>(190,380)</u>
NET CHANGE IN FUND BALANCE	3,261	3,261	820	(2,441)
FUND BALANCE AT BEGINNING OF YEAR	<u>87,577</u>	<u>87,577</u>	<u>87,154</u>	<u>NONE</u>
FUND BALANCE AT END OF YEAR	<u>\$90,838</u>	<u>\$90,838</u>	<u>\$87,974</u>	<u>(\$2,864)</u>

There were no budget amendments during the year ended December 31, 2017.

See accountant's independent accountant's review report.

OTHER SUPPLEMENTAL INFORMATION SCHEDULES

See accountant's independent accountant's review report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

OTHER SUPPLEMENTAL INFORMATION SCHEDULES
As of and For the Year Ended December 31, 2017

**COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO AGENCY HEAD AND
BOARD OF COMMISSIONERS**

The Schedule of Compensation, Benefits and Other Payments to Agency Head and Board of Commissioners is presented in compliance with Act 706 of the 2017 Session and House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the agency head and board of commissioners is included in operating services expenditures of the General Fund. The board members receive \$10 for each meeting they attend.

SCHEDULE OF PRIOR YEAR FINDINGS

The follow-up and corrective action taken on all prior year findings is presented in Schedule 3.

See accountant's independent accountant's review report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

SCHEDULE OF COMPENSATION, BENEFITS AND
OTHER PAYMENTS TO AGENCY HEAD
AND BOARD OF COMMISSIONERS
For the Year Ended December 31, 2017

BOARD COMPENSATION

Agency Head - Ricky Hart - President	\$90
John Rider	100
Izora Cruse	120
Robert Pearson	20
Scott Gwin	<u>140</u>
Total	<u><u>\$470</u></u>

See accountant's independent accountant's review report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

SCHEDULE OF PRIOR YEAR FINDINGS
For the Year Ended December 31, 2017

Finding Number	Fiscal Year Finding Initially Occurred	Description of Finding	Status of Finding
2016-1	2014	General Fund budget was not adopted prior to January 1, 2016.	Resolved.

See accountant's independent accountant's review report.

EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

CURRENT YEAR FINDINGS AND
CORRECTIVE ACTION PLAN
For the Year Ended December 31, 2017

2017-1 Noncompliance with Local Government Budget Act

- Criteria: The Local Government Budget Act requires the District to adopt a budget amendment when total actual expenditures exceed budgeted expenditures by 5% or more.
- Condition: Actual expenditures for the General Fund were \$190,380 (13.16%) more than budgeted expenditures.
- Cause: The District failed to include capital outlay expenditures paid from grant funds in the General Fund budget.
- Effect: Noncompliance with the Local Government Budget Act.
- Recommendation: The Board of Commissioners should adopt a budget amendment in an open meeting whenever actual expenditures exceed budgeted expenditures by 5% or more.
- Management's Response: For all future years, the Board of Commissioners will adopt a budget amendment in an open meeting whenever actual expenditures exceed budgeted expenditures by 5% or more.

See accountant's independent accountant's review report.

**Independent Accountant's Report on Applying
Agreed-Upon Procedures**

The following independent accountant's report on applying agreed upon procedures is presented in compliance with the requirements of the *Louisiana Governmental Audit Guide* and the *Louisiana Attestation Questionnaire*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

M. CARLEEN DUMAS
Certified Public Accountant
369 Donaldson Road. Calhoun, Louisiana. Telephone 318/644-5726

Independent Accountant's Report
On Applying Agreed-Upon Procedures

BOARD OF COMMISSIONERS
EAST COLUMBIA FIRE DISTRICT
Columbia, Louisiana

I have performed the procedures included in the *Louisiana Governmental Audit Guide* and enumerated below, which were agreed to by the management of East Columbia Fire District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the District's compliance with certain laws and regulations during the year ended December 31, 2017 included in the accompanying *Louisiana Attestation Questionnaire*. Management of the District is responsible for its financial records and compliance with applicable laws and regulations. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for materials and supplies exceeding \$30,000, or public works exceeding \$152,550, and determine whether such purchases were made in accordance with R.S. 38:2211-2296 (the public bid law) or R.S. 39:1551-39:1775 (the state procurement code), whichever is applicable.

A review was made of all disbursements for the year. There was one disbursement for materials and supplies that exceeded \$30,000. That disbursement was made in accordance with the public bid law.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by R.S. 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided me with the required list including the noted information.

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East Columbia Fire District
Independent Accountant's Report on
Applying Agreed-Upon Procedures
December 31, 2017

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided me with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon Procedure 3 were also included on the listing obtained from management in agreed-upon Procedure 2 as immediate family members.

The employee included on the list of employees provided by management in agreed-upon Procedure 3 was not included on the listing obtained from management in agreed-upon Procedure 2 as an immediate family member.

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided me with a copy of the adopted budget for the General Fund. There were no budget amendments during the year.

6. Trace the budget adoption and amendments to the minute book.

The General Fund budget was adopted on December 5, 2016.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more, or if actual expenditures exceed budgeted amounts by 5% or more.

Actual revenues exceeded budgeted revenues and actual expenditures exceeded budgeted expenditures by \$190,380 or 1316%.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and;
 - (a) trace payments to supporting documentation as to proper amount and payee;
 - (b) determine if payments were properly coded to the correct fund and general ledger account;
 - (c) determine whether payments received approval from proper authorities.

East Columbia Fire District
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An examination of six randomly selected disbursements disclosed the following:

- (a) The six selected disbursements were properly supported as to amount and payee.
- (b) The six selected payments were properly coded to the correct general ledger account.
- (c) The six selected payments received approval from the proper authorities.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by R.S. 42:11 - 42:28 (the opening meetings law).

The agendas for meetings were not posted as required.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

I examined all deposits for the period under examination and noted no proceeds that appeared to be from bank loans, bonds, or like indebtedness.

Advances and Bonuses

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

A reading of the minutes of the board meetings and an examination of payroll records indicated no payments to employees which may constitute bonuses, advances, or gifts.

Prior Comments and Recommendations

The prior year report, dated March 24, 2017, included one finding. That finding has been resolved by management.

East Columbia Fire District
Independent Accountant's Report on
Applying Agreed-Upon Procedures
December 31, 2017

I was not engaged to perform, and did not perform, an audit, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of East Columbia Fire District and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

/s Carleen Dumas
Calhoun, Louisiana
March 14, 2018

Louisiana Attestation Questionnaire

The accompanying *Louisiana Attestation Questionnaire* has been completed by management and is included in this report as required by the *Louisiana Governmental Audit Guide*.

M. Carleen Dumas, CPA
369 Donaldson Road
Calhoun, LA 71225

Mrs. Dumas,

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2017 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the Louisiana Governmental Audit Guide, we make the following representations to you.

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes No N/A

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone which would constitute a violation of R.S. 42:1101-1124.

Yes No N/A

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980 under circumstances which would constitute a violation of R.S. 42:1119.

Yes No N/A

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes No N/A

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes No N/A

We have filed our annual financial statements in accordance with R.S. 24:514, and R.S. 33:463 where applicable.

Yes No N/A

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes No N/A

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes No N/A

Meetings

We have complied with the provisions of the Opening Meetings Law, provided R.S. 42:11 through 42:28.

Yes No N/A

Debt

It is true that we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60 - 1410.65.

Yes No N/A

Advances and Bonuses

It is true that we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes No N/A

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes No N/A

General

We are responsible for our compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes No N/A

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes [X] No [] N/A []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes [X] No [] N/A []

We have made available to you all records that we believe are relevant to the foregoing agreed-upon procedures.

Yes [X] No [] N/A []

We have provided you with any communications from regulatory agencies, internal auditors, other independent practitioners or consultants or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of your report.

Yes [X] No [] N/A []

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies any known noncompliance that may occur up to the date of your report.

Yes [X] No [] N/A []

/s Shelby Cruse
Name

Chief
Title

23Feb18
Date